



Defending dignity.
Fighting poverty.

Working with the Private Sector

Global issues such as climate change, the financial crisis, food insecurity and conflict are converging at the expense of the world's poorest and most vulnerable people. CARE International recognises that these complex issues cannot and should not be tackled by civil society, the state and donor community alone – the private sector has an important contribution to make. As an international development organisation CARE has a responsibility to find ways of maximising the positive impact the private sector has on poverty.

What is the role of the private sector in development?

“There is no longer any doubt that business plays an integral role in delivering economic and social progress,” UN Secretary-General Ban Ki-moon, September 2010.

Business has an important role to play in the fight against poverty: adding value to the economies in which it operates; creating opportunities for work; coming up with new innovations, and acting responsibly in its operations and interactions with local communities. This can and should be done in such a way that creates opportunities, not barriers for people living in poverty.

The majority of the world’s poor come into contact with markets and companies – as producers, workers, entrepreneurs or consumers. However, often this interaction favours commercial benefit over social benefit and limits the ability of poor people to realise their full economic potential. By unlocking this potential, poor people can increase their income, invest in their security and help their families’ escape poverty.

Through working in partnership with business, CARE believes that economic growth with sustained social benefit can be achieved.

CARE believes the following three areas are where business can make a real difference:

1 Responsible Business

A responsible and accountable private sector can be a driver for poverty reduction – in the same way that weak or poorly enforced business regulation coupled with irresponsible business practices, can trap people in a cycle of poverty. Proactive engagement between NGOs and the private sector can be a powerful tool in creating dialogue around poverty and sustainable development, and in generating reform.

CARE engages in policy and advocacy activities with peer NGOs on specific industry issues to positively influence policies and practices across sectors. We work with companies to increase their understanding of the needs and rights of communities. In Sri Lanka for example we work with tea buying companies, plantation owners and workers to improve working conditions, but also productivity and stakeholder relations.

2 Inclusive markets

Whether they run a vegetable stall or work in a rice field, poor people contribute to and engage with markets. The ability to maximize their economic potential is often constrained by low profit margins and a lack of access to assets and skills. Of the world’s 500 million entrepreneurs, fewer than two per cent have access to financial services and training vital to develop their businesses.

CARE helps smallholder farmers and producers to organise themselves, engage in markets and increase the quality and consistency of their produce to earn a sustainable income. For companies, there is an opportunity to invest in, and source from, groups of farmers and social enterprises supported by CARE, to secure the viability of their supply chain and maintain a high quality product.

Last year alone, CARE provided over nine million people with basic business skills, access to finance and the resources to grow their enterprises.

3 Pro-poor business models

People living in poor communities may have no access to basic services and little choice of consumer products that could directly improve the quality of their lives and livelihoods. Without access to appropriate and affordable financial services, it is a real struggle to manage fluctuations in income, cope with emergencies and invest in enterprises.

CARE recognises that the private sector has a unique ability to come up with innovative solutions to provide practical means to address the needs of the poor. These include creating new delivery channels, testing new products and technologies and taking these to scale. Together with international companies, CARE is designing and testing services demanded by the poor which enable our partners to experiment in reaching new consumers and develop their market position.

Our Partnerships

CARE has established successful partnerships in the UK with the following companies and organisations – Allianz, Anglo American, Barclays, Cadbury, Diageo, the Ethical Tea Partnership and Starbucks.



Banking on change

Barclays, CARE and International Plan have joined together to improve the quality of life for poor people by extending and developing access to basic financial services. The initiative brings together the resources, skills and experience of each organisation and aims to reach 300,000 to 500,000 people in 11 countries across Africa, Asia and South America.

This partnership represents a three-year, £10m commitment to support financial inclusion through the development of savings-led community finance and testing new business models for formal financial service provision.

Cadbury Cocoa Partnership

CARE is a partner in the Cadbury Cocoa Partnership (CCP), a ten year initiative with a £45 million investment that aims to secure the economic, social and environmental future of a million cocoa farmers and their communities in Ghana, Indonesia and the Caribbean.

The communities are working towards a sustainable cocoa supply chain that supports the long term needs of cocoa producers and consumers. CARE is supporting 35 communities in Ghana to improve access to water, sanitation and education and provide technical support for cocoa production and crop diversification.

CARE places extra emphasis on women. Our experience shows women tend to transfer improvements in their own lives into the lives of their families and communities. If they have the opportunity to gain an education, access health services, generate an income, and take a lead in their community, women and girls can create lasting change. We believe women are part of the solution to overcoming poverty and injustice.

Contact details

If you would like to discuss ideas for your business, please contact the Private Sector Engagement team on **0207 934 9342** or email pseteam@careinternational.org

CARE International UK, 10 – 13 Rushworth Street, London SE1 0RB. www.careinternational.org

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